



Tobacco Company

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F. V. Natale
Region Business Mgr.

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May 8, 1996

To: DM's

Subject: Contract Analysis

Gentlemen:

Please find enclosed a Merchandising Analysis Report for the Buffalo Region. The purpose of the analysis was to evaluate our contract status and effectiveness in lower volume pack and carton calls, as well as determine where we have merchandising opportunities.

In general we are not contracted across a great number of lower volume accounts. I have enclosed a breakdown of lower volume calls for your evaluation. My notes should assist you with determining a course of action. We are not looking to cut contracts for budget sake, but we need to ensure we are getting a return for our RDA dollars in these accounts.

I have also enclosed a breakdown by territory of accounts where we are not contracted. Utilize this list to identify accounts to target with selling presentations. Pay particular attention to the higher volume accounts.

We'll reevaluate our Region status for both low volume accounts as well as CIV penetration in late June.

Sincerely,

F. V. Natale

cc: RCF (no attachments)

FVN:kb

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